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## **EXHIBIT Y**

# ANALYTICAL PERSPECTIVES

BUDGET OF THE U.S. GOVERNMENT

FISCAL YEAR 2025



#### THE BUDGET DOCUMENTS

**Budget of the United States Government**, Fiscal Year 2025 contains the Budget Message of the President, information on the President's priorities, and summary tables.

Analytical Perspectives, Budget of the United States Government, Fiscal Year 2025 contains analyses that are designed to highlight specified subject areas or provide other significant presentations of budget data that place the Budget in perspective. This volume includes economic and accounting analyses, information on Federal receipts and collections, analyses of Federal spending, information on Federal borrowing and debt, baseline or current services estimates, and other technical presentations.

Supplemental tables and other materials that are part of the *Analytical Perspectives* volume are available at <a href="https://whitehouse.gov/omb/analytical-perspectives/">https://whitehouse.gov/omb/analytical-perspectives/</a>.

Appendix, Budget of the United States Government, Fiscal Year 2025 contains detailed information on the various appropriations and funds that constitute the Budget and is designed primarily for the use of the Appropriations Committees. The Appendix contains more detailed financial information on individual programs and appropriation accounts than any of the other Budget documents. It

includes for each agency: the proposed text of appropriations language; budget schedules for each account; legislative proposals; narrative explanations of each budget account; and proposed general provisions applicable to the appropriations of entire agencies or groups of agencies. Information is also provided on certain activities whose transactions are not part of the budget totals.

#### BUDGET INFORMATION AVAILABLE ONLINE

The President's Budget and supporting materials are available online at <a href="https://whitehouse.gov/omb/budget/">https://whitehouse.gov/omb/budget/</a>. This link includes electronic versions of all the Budget volumes, supplemental materials that are part of the Analytical Perspectives volume, spreadsheets of many of the budget tables, and a public use budget database. This link also includes Historical Tables that provide data on budget receipts, outlays, surpluses or deficits, Federal debt, and Federal employment over an extended time period, generally from 1940 or earlier to 2029. Also available are links to documents and materials from budgets of prior years.

For more information on access to electronic versions of the Budget documents, call (202) 512-1530 in the D.C. area or toll-free (888) 293-6498. To purchase the printed documents, call (202) 512-1800.

#### **GENERAL NOTES**

- 1. All years referenced for budget data are fiscal years unless otherwise noted. All years referenced for economic data are calendar years unless otherwise noted.
- 2. At the time the Budget was prepared, none of the full-year appropriations bills for 2024 have been enacted, therefore, the programs and activities normally provided for in the full-year appropriations bills were operating under a continuing resolution (Public Law 118-15, division A, as amended). References to 2024 spending in the text and tables reflect the levels provided by the continuing resolution.
- 3. Detail in this document may not add to the totals due to rounding.

#### U.S. GOVERNMENT PUBLISHING OFFICE, WASHINGTON 2024

#### 8. AID TO STATE AND LOCAL GOVERNMENTS

The analysis in this chapter focuses on Federal spending that is provided to State and local governments, U.S. Territories, and American Indian Tribal governments to help fund programs administered by those entities. This type of Federal spending is known as Federal financial assistance, primarily administered as grants.

In 2023, the Federal Government spent roughly \$1.1 trillion, approximately 4 percent of GDP, on aid to State, local, tribal, and territorial governments. The Budget continues to estimate \$1.1 trillion in outlays in both 2024 and 2025. Total Federal grant spending to State and local governments is estimated to be 3.7 percent of GDP in 2025.

Federal grants to State and local governments reached a historic high in 2021, at 5.5 percent of GDP, in large part due to significant Federal financial assistance provided in response to the health and economic crisis caused by the COVID-19 pandemic. Outlays remain elevated in 2023, continuing to reflect this assistance, while dipping in 2024 and 2025 as COVID-19 aid programs wind down. At the same time, higher outlays for infrastructure and community development reflect investments made in the Infrastructure Investment and Jobs Act (IIJA; Public Law 117-58), the Bipartisan Safer Communities Act (BSCA; Public Law 117-159), and Public Law 117-169, commonly referred to as the Inflation Reduction Act (IRA).

#### **BACKGROUND AND ANALYSIS**

Federal grants are authorized by the Congress in statute, which then establishes the purpose of the grant and how it is awarded. Most often, Federal grants are awarded as direct cash assistance, but Federal grants can also include in-kind assistance—non-monetary aid, such as commodities purchased for the National School Lunch Program—and Federal revenues or assets shared with State and local governments.

In its 2023 State Expenditure Report, the National Association of State Budget Officers (NASBO) estimates that, of the approximately \$2.96 trillion<sup>1</sup> in total State spending in State fiscal year 2023<sup>2</sup>, 35.3 percent, or \$1.04 trillion, came from Federal funds. The NASBO reports that total State expenditures (including general funds, other State funds, bonds and Federal funds) increased 12.3 percent in 2023, with all program areas experiencing growth in State funds.<sup>3</sup>

Table 8-1, below, shows Federal grants spending by decade, actual spending in 2023, and estimated spending in 2024 and 2025. Table 8-2 shows the Budget's funding level for grants in every Budget account, organized by functional category, Budget Enforcement Act (BEA) category, and by Federal Agency.

The Federal Budget classifies grants by general area or function. Of the total proposed grant spending in 2025, 58.2 percent is for health programs, with most of the funding for Medicaid. Beyond health programs, approximately 15.4 percent of Federal aid is estimated to go to income se-

curity programs; 9.9 percent to transportation programs; 7.4 percent to education, training, and social services; and 9.1 percent for all other functions.

The Federal Budget also classifies grant spending by BEA category—discretionary or mandatory.<sup>4</sup> Funding for discretionary grant programs is generally determined through annual appropriations acts. Outlays for discretionary grant programs are estimated to account for 30 percent of total grant spending in 2025. Funding for mandatory programs is provided directly in authorizing legislation that establishes eligibility criteria or benefit formulas; funding for mandatory programs is not usually limited by the annual appropriations process. Outlays for mandatory grant programs are estimated to account for 70 percent of total grant spending in 2025. Section B of Table 8-1 shows the distribution of grants between mandatory and discretionary spending.

In 2025, grants provided from discretionary funding are estimated to have outlays of \$334 billion, a decrease of roughly 1.8 percent from 2024. The five largest discretionary programs in 2025 are estimated to be Federal-aid Highway programs, with outlays of \$52 billion; Tenant-Based Rental Assistance, with outlays of \$32 billion; Education for the Disadvantaged (Title I), with outlays of \$20 billion; the Community Development Fund, with outlays of \$16 billion; and Special Education, with outlays of \$14 billion.

In 2025, outlays for mandatory grant programs are estimated to be \$761 billion, a decrease of 0.8 percent from spending in 2024, which is estimated to be \$768 billion. This estimated decline reflects the winding down of pandemic-related aid programs, as discussed above. Medicaid is by far the largest mandatory grant program with estimated outlays of \$587 billion in 2025. After Medicaid, the four largest mandatory grant programs by outlays

<sup>&</sup>lt;sup>1</sup> "2023 State Expenditure Report." National Association of State Budget Officers, 2023. p. 1, 3.

<sup>&</sup>lt;sup>2</sup> According to "The Fiscal Survey of States" published by the National Association of State Budget Officers (Fall 2022, p. VI), "Forty-six States begin their fiscal years in July and end them in June. The exceptions are New York, which starts its fiscal year on April 1; Texas, with a September 1 start date; and Alabama and Michigan, which start their fiscal years on October 1."

 $<sup>^3</sup>$  "2023 State Expenditure Report." National Association of State Budget Officers, 2023. p. 3.

 $<sup>^4</sup>$  For more information on these categories, see the "Budget Concepts" chapter of this volume.

#### Table 8-1. TRENDS IN FEDERAL GRANTS TO STATE AND LOCAL GOVERNMENTS (Outlays in billions of dollars)

Estimate 1980 1990 2000 2005 2010 2015 2020 2023 2024 2025

|   | 1900           | 1990           | 2000           | 2005           | 2010           | 2015           | 2020    | 2023                                    | 2024    | 2025    |
|---|----------------|----------------|----------------|----------------|----------------|----------------|---------|---|---------|---------|
| A. Distribution of grants by function:                    |                |                |                |                |                |                |         |   |         |         |
| Natural resources and                                     |                | 0.7            | 4.0            |                |                |                | 7.0     | 40.0                                    | 20.0    | 40.0    |
| environment   | 5.4            | 3.7            | 4.6            | 5.9            | 9.1            | 7.0            | 7.2     | 10.9                                    | 38.6    | 18.0    |
| Agriculture   | 0.6            | 1.1            | 0.7            | 0.9            | 0.8            | 0.7            | 0.8     | 0.9                                     | 0.9     | 1.1     |
| Transportation  | 13.0           | 19.2           | 32.2           | 43.4           | 61.0           | 60.8           | 69.3    | 87.7                                    | 97.3    | 108.0   |
| Community and regional development                        | 6.5            | 5.0            | 8.7            | 20.2           | 18.9           | 14.4           | 52.5    | 38.3                                    | 72.8    | 42.6    |
| Education, training, employment, and social services      | 21.9           | 21.8           | 36.7           | 57.2           | 97.6           | 60.5           | 67.9    | 92.2                                    | 87.5    | 81.4    |
| Health  | 15.8           | 43.9           | 124.8          | 197.8          | 290.2          | 368.0          | 493.4   | 663.7                                   | 615.1   | 637.8   |
| Income security   | 18.5           | 36.9           | 68.7           | 90.9           | 115.2          | 101.1          | 118.2   | 166.9                                   | 167.2   | 168.7   |
| Administration of justice                                 | 0.5            | 0.6            | 5.3            | 4.8            | 5.1            | 3.7            | 9.4     | 6.2                                     | 8.6     | 8.8     |
| General government  | 8.6            | 2.3            | 2.1            | 4.4            | 5.2            | 3.8            | 4.3     | 9.4                                     | 8.3     | 11.2    |
| Other   | 0.7            | 0.8            | 2.1            | 2.6            | 5.3            | 4.3            | 6.1     | 7.2                                     | 11.2    | 17.6    |
| Total   | 91.4           | 135.3          | 285.9          | 428.0          | 608.4          | 624.4          | 829.1   | 1,083.4                                 | 1,107.6 | 1,095.3 |
| B. Distribution of grants by BEA category:                |                |                |                |                |                |                |         |   |         |         |
| Discretionary   | 53.4           | 63.5           | 116.7          | 182.3          | 247.4          | 189.6          | 259.4   | 289.1                                   | 340.1   | 334.0   |
| Mandatory   | 38.0           | 71.9           | 169.2          | 245.7          | 361.0          | 434.7          | 569.7   | 794.3                                   | 767.5   | 761.4   |
| Total   | 91.4           | 135.3          | 285.9          | 428.0          | 608.4          | 624.4          | 829.1   | 1,083.4                                 | 1,107.6 | 1,095.3 |
| C. Composition:   |                |                |                |                |                |                |         | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | 1,12112 | 1,00010 |
| Current dollars:  |                |                |                |                |                |                |         |   |         |         |
| Payments for individuals 1                                | 33.1           | 77.4           | 186.5          | 278.8          | 391.4          | 463.4          | 608.6   | 816.4                                   | 770.7   | 799.1   |
| Physical capital <sup>1</sup>                             | 22.6           | 27.2           | 48.7           | 60.8           | 93.3           | 77.2           | 85.3    | 111.9                                   | 132.0   | 161.1   |
| Other grants  | 35.8           | 30.7           | 50.7           | 88.4           | 123.7          | 83.7           | 135.2   | 155.1                                   | 204.8   | 135.1   |
| Total   | 91.4           | 135.3          | 285.9          | 428.0          | 608.4          | 624.4          | 829.1   | 1,083.4                                 | 1,107.6 | 1,095.3 |
| Percentage of total grants:                               |                |                |                |                |                |                |         |   |         |         |
| Payments for individuals 1                                | 36.2%          | 57.2%          | 65.3%          | 65.1%          | 64.3%          | 74.2%          | 73.4%   | 75.4%                                   | 69.6%   | 73.0%   |
| Physical capital <sup>1</sup>                             | 24.7%          | 20.1%          | 17.0%          | 14.2%          | 15.3%          | 12.4%          | 10.3%   | 10.3%                                   | 11.9%   | 14.7%   |
| Other grants  | 39.1%          | 22.7%          | 17.7%          | 20.7%          | 20.3%          | 13.4%          | 16.3%   | 14.3%                                   | 18.5%   | 12.3%   |
| Total   | 100.0%         | 100.0%         | 100.0%         | 100.0%         | 100.0%         | 100.0%         | 100.0%  | 100.0%                                  | 100.0%  | 100.0%  |
| Constant (FY 2017) dollars:                               |                |                |                |                |                |                |         |   |         |         |
| Payments for individuals 1                                | 86.7           | 130.9          | 254.1          | 341.2          | 432.3          | 474.5          | 580.8   | 679.4                                   | 621.9   | 629.7   |
| Physical capital <sup>1</sup>                             | 61.9           | 51.6           | 77.3           | 83.6           | 105.9          | 79.0           | 79.1    | 86.1                                    | 99.0    | 117.2   |
| Other grants  | 157.1          | 73.4           | 84.5           | 120.9          | 141.9          | 85.4           | 124.9   | 125.9                                   | 161.9   | 103.6   |
| Total   | 305.7          | 255.9          | 415.9          | 545.7          | 680.1          | 638.8          | 784.8   | 891.4                                   | 882.8   | 850.4   |
| D. Total grants as a percent of:                          |                |                |                |                |                |                |         |   |         |         |
| Federal outlays:  |                |                |                |                |                |                |         |   |         |         |
| Total   | 15.5%          | 10.8%          | 16.0%          | 17.3%          | 17.6%          | 16.9%          | 12.7%   | 17.7%                                   | 16.0%   | 15.1%   |
| Domestic programs <sup>2</sup>                            | 22.2%          | 17.1%          | 22.0%          | 23.5%          | 23.4%          | 21.2%          | 15.0%   | 23.0%                                   | 21.2%   | 20.1%   |
| State and local expenditures                              | 26.4%          | 18.0%          | 21.0%          | 22.9%          | 25.6%          | 23.9%          | 26.1%   | 28.3%                                   | N/A     | N/A     |
| Gross domestic product                                    | 3.3%           | 2.3%           | 2.8%           | 3.3%           | 4.1%           | 3.5%           | 3.9%    | 4.0%                                    | 3.9%    | 3.7%    |
| E. As a share of total State and local gross investments: |                |                |                |                |                |                |         |   |         |         |
| Federal capital grants                                    |                |                | 0.4.00/        | 04.00/         | 00.00/         | 01 70/         | 19.0%   | 21.3%                                   | N/A     | N/A     |
|   | 34.5%          | 21.0%          | 21.3%1         | 21.2%1         | 20.8%1         | 21.7701        | 10.0761 |   | 11//    |         |
| State and local own-source financing                      | 34.5%<br>65.5% | 21.0%<br>79.0% | 21.3%<br>78.7% | 21.2%<br>78.8% | 26.8%<br>73.2% | 21.7%<br>78.3% | 81.0%   | 78.7%                                   | N/A     | N/A     |

N/A: Not available at publishing.

<sup>&</sup>lt;sup>1</sup> Grants that are both payments for individuals and capital investment are shown under capital investment.

<sup>&</sup>lt;sup>2</sup> Excludes national defense, international affairs, net interest, and undistributed offsetting receipts.

in 2025 are estimated to be: Child Nutrition programs, which include the School Breakfast Program, the National School Lunch Program and others, \$32 billion; Children's Health Insurance Program, \$18 billion; the Temporary Assistance for Needy Families program, \$16 billion; and the Refundable Premium Tax Credit, \$14 billion.

Federal spending by State for major grants may be found in supplemental material available on *the Office of Management and Budget (OMB) website*. This material includes two tables that summarize State-by-State

spending for major grant programs, one summarizing obligations for each program by agency and bureau, and another summarizing total obligations across all programs for each State, followed by 46 individual tables showing State-by-State obligation data for each grant program. The programs shown in these State-by-State tables cover the majority of total grants to State and local governments. The sections that follow include highlights of grant proposals from the Budget listed by function.

#### **HIGHLIGHTS**

#### Energy

Building on the more than \$15 billion in the IIJA and the IRA funding for the Department of Energy's Office of State and Community Energy Programs and other programs, the Administration is committed to continue creating jobs through support for State and community action to deploy clean energy infrastructure. The Budget invests \$1.6 billion in clean energy infrastructure and projects through the Department of Energy, providing more than \$385 million to weatherize and decarbonize low-income homes through efficiency and electrification retrofits, and \$102 million to support utilities and State and local governments in building a more resilient electrical grid that utilizes clean energy sources. In addition, the Budget provides \$95 million to electrify tribal homes and transition tribal colleges and universities to renewable energy.

#### **Natural Resources and Environment**

The Budget commits to tackling the climate crisis with urgency by investing in Environmental Protection Agency (EPA) grants to States and Tribes that will support the implementation of on-the-ground efforts in communities across the Nation, such as providing \$100 million for the Diesel Emissions Reduction Act (DERA) grant program, which funds grants and rebates to States and tribal governments to reduce harmful emissions from diesel engines, and \$70 million for the Targeted Airshed Grants (TAG). Also included is a total of \$101 million for two EPA grant programs dedicated to remediating lead contamination in drinking water.

To protect communities from hazardous waste and environmental damage, the Budget also requests \$208 million for EPA's Brownfields program to provide technical assistance and grants to communities, including disadvantaged communities, so they can safely clean up and reuse contaminated properties.

#### Agriculture

The Budget continues to invest in rural communities by providing \$10 million in Rural Community Facilities Grants to facilitate the energy transition and modernization of infrastructure. Building on the \$2 billion for broadband programs initiated in the IIJA, the Budget further supports rural communities by funding \$112 million for the ReConnect Program, which provides grants and loans to deploy broadband to underserved areas, especially tribal areas.

To support tribal communities, the Budget invests \$64 million for agriculture research, education and extension grants to tribal institutions; and \$2 million to support Native American farmers and ranchers through the Intertribal Technical Assistance Network.

#### **Transportation**

The Budget provides robust support for transportation projects that cut commute times, improve safety, reduce freight bottlenecks, better connect communities, and reduce greenhouse gas emissions. Investments include: a total of \$800 million for the Rebuilding American Infrastructure with Sustainability and Equity (RAISE) and the National Infrastructure Project Assistance (Mega) competitive grant programs to promote innovative highway, transit, passenger rail, freight, port, and other transportation projects; \$250 million for the Consolidated Rail Infrastructure and Safety Improvements competitive grant program; and \$2.4 billion for the Capital Investment Grants program, which will advance the construction of new, high-quality transit corridors to reduce travel time and increase economic development.

The Budget provides a total of \$78.4 billion for highway, highway safety, and transit formula programs, including \$61.3 billion in obligation limitation for the Federal-aid Highway program to modernize and upgrade roads and bridges. It also supports core capital and planning programs, transit research, technical assistance, and data collection with \$14.3 billion in Transit Formula Grants, an increase of \$645 million above the 2023 enacted level. It also reflects \$9.5 billion in advance appropriations provided by the IIJA for bridge replacement and rehabilitation, electric vehicle charging infrastructure, and other programs to improve the safety, sustainability, and resilience of America's highway network.

Building on investments initiated under the IIJA, the Budget supports efforts to modernize America's port and waterway infrastructure, improve supply chain efficiency, and strengthen maritime freight capacity by providing \$80 million for the Port Infrastructure Development Program.

#### **Community and Regional Development**

The Budget invests in underserved communities by providing \$2.9 billion for the Community Development Block Grant program to help communities modernize infrastructure, invest in climate resilience and economic development, create parks and other public amenities, and provide social services. Within this amount, up to \$100 million is provided to expand PRO Housing, a competitive program that builds upon ongoing Department of Housing and Urban Development (HUD) research on land use and affordable housing by rewarding State, local, and regional jurisdictions that make progress in removing barriers to affordable housing developments, such as restrictive zoning.

Additionally, to create jobs and drive growth in economically distressed communities across the Nation, the Budget prioritizes continued funding for the U.S. Economic Development Administration (EDA). It requests \$41 million for the EDA's Recompete Pilot Program, which provides flexible, place-based funding to communities working to reduce economic distress and prime-age employment gaps by creating good-paying jobs. The Budget also boosts competitiveness and expands career opportunities in persistently distressed communities by investing \$25 million in the Good Jobs Challenge to fund high-quality, locally-led workforce systems, and \$5 million at the EDA to support grants focused exclusively on the economic development needs of tribal governments and Indigenous communities.

The Budget also includes \$4 billion in mandatory funding for EDA's Regional Technology and Innovation Hub Program and \$41 million in discretionary funding for smaller grants that enable tech and innovation in underrepresented regions. Together, these investments support cutting-edge technology and foster geographic diversity of technology jobs. The Budget also proposes \$1 billion for the Federal Emergency Management Agency's (FEMA) Building Resilient Infrastructure and Communities grant program, which helps States, local communities, Tribes, and Territories build climate resilience. This grant program is one of several climate resilience grant programs, and supports the Administration's resilience goals described in the National Climate Resilience Framework.

### **Education, Training, Employment, and Social Services**

Disruptions caused by the COVID-19 pandemic continue to take a toll on the physical and mental health of students, teachers, and school staff. Recognizing the profound effect of physical and mental health on academic achievement, the Budget includes a \$216 million investment to increase the number of counselors, nurses, and mental health professionals in schools, colleges and universities, including \$200 million from the BSCA.

To advance the goal of providing a high-quality education to every student, the Budget includes \$18.6 billion for Title I schools. Title I, which reaches 90 percent of school districts across the Nation, helps schools provide students from low-income families the learning opportu-

nities they need to succeed. This substantial support for the program reflects a major step toward fulfilling the Administration's commitment to address long-standing funding disparities between under-resourced schools—which disproportionately serve students of color—and their wealthier counterparts.

The Budget also funds voluntary, universal, free preschool for all four million of the Nation's four-year-olds and charts a path to expand preschool to three-year-olds. High-quality preschool would be offered in the setting of the parent's choice—from public schools to child care providers to Head Start. In addition, the Budget increases Head Start funding by \$544 million to support the Administration's goal to reach pay parity between Head Start staff and public elementary school teachers with similar qualifications over time. Together these proposals would support healthy child development, help children enter kindergarten ready to learn, and support families by reducing their costs prior to school entry and allowing parents to work.

The Administration is also committed to ensuring that children with disabilities receive the services and support they need to thrive. The Budget provides \$14.4 billion for Individuals with Disabilities Education Act (IDEA) grants to States to support special education and related services for students in grades Pre-K through 12. The Budget also invests \$545 million in IDEA Grants for Infants and Families to provide early intervention services to infants and toddlers with disabilities. To address nationwide special educator shortages, the Budget also invests \$125 million, \$10 million above 2023 enacted, in grants for special education and early intervention training.

To increase institutional capacity at Historically Black Colleges and Universities (HBCUs), Tribally Controlled Colleges and Universities (TCCUs), Minority-Serving Institutions (MSIs), and low-resourced institutions, including community colleges, the Budget provides over \$1 billion, an increase of \$83 million over the 2023 enacted level, for these programs. This funding includes \$100 million for four-year HBCUs, TCCUs, and MSIs to increase research and development infrastructure at these institutions.

#### Health

The Budget includes increased funding to build public health capacity, infrastructure, and data systems and collection at the State and local government levels. It invests in resources for behavioral, mental, and maternal health and supports the health and wellbeing of children.

To combat the substance use crisis, the Budget builds on the accomplishments of grant programs for States, Territories, and Tribes, including the State Opioid Response grant program, by providing additional grant funding for expanded access to prevention, harm reduction, treatment, and recovery support services. In addition, the Budget expands mental health assistance and support services in schools, and expands the Center for Disease Control's suicide prevention program to additional States, tribal, and territorial jurisdictions.

#### AID TO STATE AND LOCAL GOVERNMENTS

In addition, the Budget proposes a Vaccines for Adults program to provide uninsured adults with access to routine and outbreak vaccines at no cost. The Budget also expands the Vaccines for Children (VFC) program to include all children under age 19 enrolled in the Children's Health Insurance Program (CHIP) and covers the vaccine administration fee for all VFC-eligible uninsured children.

To address racial disparities in maternal and perinatal health and reduce maternal mortality and morbidity rates, the Budget provides funding for the ongoing implementation of the White House Blueprint for Addressing the Maternal Health Crisis. The Budget promotes maternal health equity by expanding Medicaid maternal health support services during the pregnancy and post-partum period by incentivizing States to reimburse a broad range of providers including doulas, community health workers, peer support initiatives, and nurse home visiting programs. Additionally, the Budget eliminates gaps in maternal health insurance coverage by requiring all States to provide continuous Medicaid coverage for 12 months post-partum.

The Budget also provides \$350 million within HUD for States, local governments, and nonprofits to reduce lead-based paint and other health hazards, especially in the homes of low-income families with young children. Of that, the Budget proposes \$206 million for a new formula grant program to improve efficiency in lead and other home health hazard mitigation efforts.

#### **Income Security**

The Budget strengthens families—and the economy—by investing in high-quality child care. The Budget creates a historic new program under which working families with incomes up to \$200,000 per year would be guaranteed affordable, high-quality child care from birth until kindergarten, with most families paying no more than \$10 a day, and the lowest income families paying nothing. This would provide a lifeline to the parents of more than 16 million children, saving the average family over \$600 per month in care costs, per child. In addition, the Budget provides \$8.5 billion for the Child Care and Development Block Grant, a \$500 million increase over the 2023 enacted level.

The Budget makes a historic investment in lowering housing costs for renters and homebuyers through \$185 billion in mandatory spending and tax proposals, a portion of which will be distributed via State and local governments. For instance, the Budget provides \$3 billion in mandatory funding for competitive grants to promote and solidify State and local efforts to reform eviction policies by providing access to legal counsel, emergency rental assistance, and other forms of rent relief. In addition to the mandatory and tax proposals, the Budget includes \$10 million for the Eviction Protection Grant Program, which provides legal assistance to low-income tenants at risk of or subject to eviction. To increase affordable rental housing supply and homeownership opportunities, the Budget also invests \$1.25 billion in the HOME Investment Partnerships Program (HOME).

The Budget further supports households through the Low Income Home Energy Assistance Program (LIHEAP) for States and Territories by providing \$4 billion for the program. LIHEAP helps families access home energy and weatherization assistance—vital tools for protecting vulnerable families' health in response to extreme weather and climate change. As part of the Justice 40 initiative, Health and Human Services (HHS) plans to continue its efforts to prevent energy shutoffs and increase support for households with young children and older people or high energy burdens. The Budget also proposes to expand LIHEAP to advance the goals of both LIHEAP and the Low Income Household Water Assistance Program (LIHWAP). Specifically, the Budget gives States the option to use a portion of their LIHEAP funds to provide water bill assistance to low-income households.

The Budget also includes \$2.5 million for Department of Labor's Women's Bureau to help States expand access to paid leave benefits, including through grants to support States in implementing new paid leave programs and through the creation of a Technical Assistance Hub to share best practices among States.

The Budget also provides competitive grants for States and localities with a focus on improving the child welfare workforce, advancing reforms that would reduce the overrepresentation of children and families of color in the child welfare system, respecting the rights of LGBTQ+ individuals, as well as \$195 million for States and community-based organizations to respond to and prevent child abuse, with a focus on Tribes and other underserved populations.

The Budget supports a strong nutrition safety net by providing \$8.5 billion for critical nutrition programs, including \$7.7 billion for the Special Supplemental Nutrition Program for Women, Infants, and Children, to help vulnerable families put healthy food on the table and address racial disparities in maternal and child health outcomes.

Additionally, the Budget includes several investments to help States modernize and strengthen the Unemployment Insurance (UI) program. The Budget proposes a comprehensive legislative package designed to provide States with tools and resources to combat UI fraud and improper payments, while ensuring equity and accessibility for all claimants. The Budget also includes principles to guide future efforts to reform the UI system, including improving benefit levels and access, scaling UI benefits automatically during recessions, expanding eligibility to reflect the modern labor force, improving State and Federal solvency through more equitable and progressive financing, expanding reemployment services, and further safeguarding the program from fraud.

#### Administration of Justice

The Budget provides \$3.7 billion in discretionary resources to the Department of Justice for State and local grants and \$30 billion in mandatory resources to support efforts to hire police officers, reform criminal justice systems, and combat violent crime, as detailed in the President's Safer America Plan. Additionally, the Budget proposes \$100 million for Community Violence Intervention programs, an increase of \$50 million over the 2023 enacted level, to bolster evidence-based strategies to reduce gun violence in U.S. communities.

The Administration remains committed to addressing substance use, proposing \$429 million in grant funding in

the Budget, including \$190 million for the Comprehensive Opioid, Stimulant, and Substance Use Program, \$95 million to support Drug Courts, and \$51 million for anti-drug task forces.

#### OTHER SOURCES OF INFORMATION ON FEDERAL GRANTS

A number of other sources provide State-by-State spending data and other information on Federal grants but may use a broader definition of grants beyond what is included in this chapter.

The website *Grants.gov* is a primary source of information for communities wishing to apply for grants and other Federal financial assistance. *Grants.gov* hosts all competitive open notices of opportunities to apply for Federal grants.

The System for Award Management hosted by the General Services Administration contains detailed Assistance Listings (formerly known as the Catalog of Federal Domestic Assistance) of grant and other assistance programs; discussions of eligibility criteria, application procedures, and estimated obligations; and related information. The Assistance Listings are available on the internet at SAM.gov.

Current and updated grant receipt information by State and local governments and other non-Federal entities can be found on *USASpending.gov*. This public website includes additional detail on Federal spending, including contract and loan information.

The Federal Audit Clearinghouse maintains an online database that provides public access to audit reports conducted under OMB guidance located at 2 CFR part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Information is available for each audited entity, including the amount of Federal money expended by program and whether there were audit findings.

The Bureau of Economic Analysis in the Department of Commerce produces the monthly *Survey of Current Business*, which provides data on the national income and product accounts, a broad statistical concept encompassing the entire economy. These accounts, which are available at <a href="https://apps.bea.gov/scb/">https://apps.bea.gov/scb/</a>, include data on Federal grants to State and local governments.

In addition, information on grants and awards can be found through individual Federal Agencies' websites:<sup>5</sup>

- USDA Current Research Information System, https://cris.nifa.usda.gov/
- Department of Defense Medical Research Programs, https://cdmrp.health.mil/
- Department of Education, Institute of Education Sciences, Funded Research Grants and Contracts, <a href="https://www2.ed.gov/fund/">https://www2.ed.gov/fund/</a>
- HHS Grants, https://www.hhs.gov/grants/
- HHS Tracking Accountability in Government Grants System, https://taggs.hhs.gov/
- National Institutes of Health Grants and Funding, https://grants.nih.gov/
- HUD Grants, https://hud.gov/program\_offices/ cfo/gmomgmt/grantsinfo
- DOJ Grants, https://www.justice.gov/grants
- DOL Employment and Training Administration, Grants Awarded, https://dol.gov/agencies/eta/ grants/awards
- Department of Transportation Grants, https://www.transportation.gov/grants
- EPA Grants, https://www.epa.gov/grants
- National Science Foundation Awards, https://nsf. gov/awardsearch/
- Small Business Innovation Research and Small Business Technology Transfer Awards, https:// www.sbir.gov/sbirsearch/award/all

<sup>&</sup>lt;sup>5</sup> https://www.cfo.gov/wp-content/uploads/2021/Managing-for-Results-Performance-Management-Playbook-for-Federal-Awarding-Agencies.pdf